

COASTAL CONSERVANCY

Staff Recommendation
June 4, 2009

To: Coastal Conservancy Members

From: Sam Schuchat, Executive Officer
Nadine Hitchcock, Deputy Executive Officer
Abe Doherty, Project Manager

Cc: Legislative Representatives

Re: Consideration and Possible Adoption of Climate Change Policy and Project Selection Criteria

Recommended Action

Consideration and possible adoption of a proposed *Coastal Conservancy Climate Change Policy* (“*Climate Change Policy*”), attached as Exhibit 1 to this memorandum; and revised *Project Selection Criteria*, attached as Exhibit 2 to this memorandum.

A proposed resolution for adoption of the *Project Selection Criteria* follows. After its adoption, the *Project Selection Criteria* will be made available on the Conservancy’s website and will be provided to applicants.

Resolution and Findings

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31000 et seq. of the Public Resources Code:

“The State Coastal Conservancy hereby adopts: 1) the *Coastal Conservancy Climate Change Policy*, attached as Exhibit 1 to the accompanying memorandum, and 2) revised *Conservancy Project Selection Criteria*, attached as Exhibit 2 to the accompanying memorandum, to address greenhouse gas emissions and vulnerability to sea level rise and other climate change impacts.”

Staff further recommends that the Conservancy adopt the following findings:

“Based on the accompanying staff memorandum and its attached exhibits, the

Conservancy hereby finds that:

1. The *Coastal Conservancy Climate Change Policy* and the revisions to the Conservancy's *Project Selection Criteria and Guidelines* are consistent with and will support implementation of the Conservancy's statutory responsibilities under Division 21 of the California Public Resources Code.
2. The *Coastal Conservancy Climate Change Policy* and the revisions to the Conservancy's *Project Selection Criteria and Guidelines* are intended to provide a policy reference, a strategy to address climate change while conserving California's coastal and ocean resources, ensuring public access to and along the coast, and providing a broad context for evaluating new opportunities and allocating resources."

Background

Over the last three years, numerous climate change-related legislative and policy directives have been adopted by the state. Among these are the Global Warming Solutions Act of 2006 (AB 32), which requires California to significantly reduce its greenhouse gas levels; the Governor's Executive Order S-3-05 (2005) which sets specific emission reduction targets, and declares that adaptation efforts will be necessary to prepare California for the consequences of global warming; and the Governor's Executive Order S-13-08 (2008), which requires state agencies to assess and reduce the vulnerability of all projects to sea level rise by considering a range of sea level rise scenarios into project planning. Proposed changes to the official Guidelines for the California Environmental Quality Act (CEQA) specifically to address global warming are circulating in public draft and required to be adopted by January 2010.

The Conservancy incorporated climate change impacts and considerations into its strategic plan update. The *Strategic Plan* 2007 states that "climate change will have dramatic physical, ecological, economic, and social impacts on coastal, marine and inland resources." The Plan contains thirteen objectives related to addressing greenhouse gas emissions and climate change impacts.

In response to these directives, and in recognition of the likely severe effects to natural resources and public infrastructure from global warming, the Conservancy and the Ocean Protection Council (OPC)¹ are undertaking a number of climate change-related activities. Chief among these activities are:

- 1) The OPC is leading the development of the ocean and coastal resources sector for the California Climate Change Adaptation Strategy.
- 2) The OPC completed an assessment of coastal risks and impacts from sea-level rise. The assessment predicted the extent to which sites will be subject to erosion

¹ By law, the Executive Officer of the Conservancy serves as Secretary to the OPC. The Conservancy also provides most of the OPC's staff.

and inundation, where infrastructure will be most at risk, the monetary value of infrastructure at risk, and the costs of adaptation measures to protect the infrastructure.

- 3) The Conservancy is undertaking activities to measure and reduce its carbon footprint. We have completed our first emissions inventory, and will complete a more detailed inventory in 2009. We have started to reduce emissions from travel by carpooling, encouraging use of public transportation, and by use of telephone and video conferencing.
- 4) The Conservancy is evaluating the greenhouse gas impacts of new projects under CEQA, as required by law and the Governor's Office of Planning and Research Technical Advisory and proposed revisions to the CEQA Guidelines.
- 5) The Conservancy is sponsoring a climate-change speaker series to inform Conservancy and other public agency and non-profit organization staff of scientists work associated with climate change.

For a more detailed update on recent OPC and Conservancy activities related to climate change, see Exhibit 3 to this memorandum.

The need for the Conservancy to provide more explicit policy direction to staff and prospective grantees on how to interpret and implement the climate-change strategic plan objectives was identified and discussed with the Conservancy in November 2008. At this time, staff also provided two new draft project selection criteria for review and comment. These criteria addressed greenhouse gas emissions and project vulnerabilities to climate change. We further described the need to develop a "guidance" paper as a resource to staff and prospective grantees seeking to incorporate climate change impacts into their project design and selection.

The draft project selection criteria was posted on the Conservancy's website, circulated to interested parties, and discussed in a number of public meetings. Staff intended to return to the Conservancy in February 2009 with a recommendation for adoption of revised project selection criteria and associated "guidance." The December 2008 spending freeze necessitated cancellation of this meeting, and we were not able to obtain technical assistance to prepare the guidance report. Nonetheless, staff determined that an adopted climate change policy and project selection criteria would be an informative resource to prospective grantees developing projects for when funding becomes available.

Description of *Climate Change Policy* and revised *Project Selection Criteria*

Conservancy Climate Change Policy

The proposed *Climate Change Policy* describes the strategies and actions that the Conservancy will use to address climate change. It further states the Conservancy's intention to collaborate with other agencies and entities to develop, support and implement climate change adaptation plans, strategies and projects, and describes the Conservancy's interest in funding certain types of climate change research and pilot or

demonstration projects for innovative adaptation approaches that support the Conservancy's enabling legislation.

The policy describes various ways in which the Conservancy will provide guidance and work closely with applicants and other entities to understand climate change impacts to coastal resources, how to reduce greenhouse gas emissions from Conservancy projects, and how to improve adaptive management and monitoring to address climate change. The policy directs Conservancy staff to explore opportunities to reduce and offset greenhouse gas emissions.

In order to make more informed decisions regarding expected lifespan of projects proposed for Conservancy funding, the policy directs staff to consider vulnerabilities to sea level rise and other climate change impacts when evaluating potential projects to fund. The policy clarifies how the Conservancy will implement Executive Order S-13-08, which requires that state agencies consider a range of sea level rise scenarios when planning projects. Until the completion of the National Academies of Science report on sea level rise, staff recommends that the Conservancy consider the following sea level rise scenarios in assessing project vulnerability and, to the extent feasible, reducing expected risks and increasing resiliency to sea level rise:

- a. 16 inches (40 cm) by 2050.
- b. 55 inches (140 cm) by 2100.

These specific scenarios of sea-level rise were selected by scientists from the United States Geological Survey, Scripps Institute of Oceanography and the Pacific Institute as part of research funded by the California Ocean Protection Council, California Energy Commission, and California Department of Transportation to assess vulnerability of San Francisco Bay and Californian coastal areas to sea-level rise.² These vulnerability assessments represent the most comprehensive state-wide analysis of sea-level rise, so use of these scenarios will assist applicants in preparing project-specific vulnerability assessments. Use of these same scenarios will also help to have consistency with other state initiatives and agencies, such as the Delta Vision Blue Ribbon Task Force and the Bay Conservation and Development Commission, which used these scenarios in supporting recommended changes to the Bay Plan, as shown in their April 7, 2009 staff report "Living with a Rising Bay: Vulnerability and Adaptation in San Francisco Bay and on the Shoreline." These scenarios are also generally consistent with the range of sea-level rise scenarios presented in the draft biennial Climate Action Team report, released on April 1, 2009, which concludes that "by 2050, sea-level rise could range from 30-50 cm (11 to 18 inches) higher than in 2000 and by 2100, sea-level rise could be 60-140 (23 to 55 inches) higher than in 2000."

A proposed resolution for adoption of the *Climate Change Policy* follows. After its adoption, the *Climate Change Policy* will be made available on the Conservancy's

² See <http://climatechange.ca.gov/publications/cat/index.html> for the reports that supported the biennial Climate Action Team report.

website and staff intend to present regular updates on implementation of this policy and staff activities related to climate change.

Project Selection Criteria

Staff recommends the adoption of three new project selection criteria to address climate change. The primary substantive difference between the November 2008 draft project selection criteria and the current version is that a third criterion relating to sea level rise vulnerability was added in order to implement Executive Order S-13-08. Executive Order S-13-08 requires state agencies to consider sea level rise as part of project planning; therefore, staff recommends that the Conservancy adopt the project selection criterion regarding sea level rise as a required criterion. Since the executive order addressed only sea level rise, the project selection criterion regarding climate change impacts other than sea level rise is proposed to be an “additional,” but not a “required,” criterion.

Revisions to the criterion regarding minimizing greenhouse gas emissions were to clarify the intent of the criterion and to include construction methods, since different construction techniques can often be used to lower the emissions of the project. Staff also revised this criterion to add the phrase “consistent with the project objectives” to include consideration of the purpose or objectives of the project.

Staff recommends that the following proposed criterion on sea level rise be included in considering proposed projects:

Sea level rise vulnerability (Consistent with Executive Order S-13-08, for new projects located in areas vulnerable to future sea level rise, planning shall consider a range of sea level rise scenarios for the years 2050 and 2100 in order to assess project vulnerability and, to the extent feasible, reduce expected risks and increase resiliency to sea level rise.)

The *Climate Change Policy* that is attached as Exhibit 1 to this memo describes the specific range of sea level rise scenarios that the Conservancy expects to use to evaluate the vulnerability of proposed projects to sea level rise.

Staff also recommends the following two criteria be considered “additional” for consideration of funding for projects:

Vulnerability from climate change impacts other than sea level rise (project objectives, design and siting consider and address vulnerabilities from climate change impacts other than sea level rise)

Minimization of Greenhouse Gas Emissions (project design and construction methods include measures to avoid or minimize greenhouse gas emissions to the extent feasible and consistent with the project objectives)

The *Climate Change Policy* describes the Conservancy's intention to work closely with applicants to identify resources to help evaluate climate change impacts and to identify, evaluate and incorporate measures to reduce greenhouse gas emissions of projects.

Consistency with Conservancy Enabling Legislation

The proposed *Climate Change Policy* and revised *Project Selection Criteria* are consistent with the Conservancy's enabling legislation, Division 21 of the California Public Resources Code, in that they are intended to reduce impacts from climate change on coastal, marine, near-shore natural resources and public accessways and other infrastructure. If not addressed, the impacts from climate change will be even more severe and will degrade nearly all the resources subject to the Conservancy's jurisdiction. These include agricultural resources (Chapter 4, Sections 31150 et seq.), the resource and recreational resources of the San Francisco Bay area (Chapter 4.5, Sections 31160 et seq.), coastal restoration areas (Chapter 5, Sections 31200 et seq.), coastal and marine resources (Chapter 5.5, Section 31220), natural and scenic coastal resources (Chapter 6, Sections 31251 et seq.), urban waterfronts (Chapter 7, Section 31300 et seq.), significant coastal resource areas (Chapter 8, Sections 31350 et seq.), and public accessways (Chapter 9, Sections 31400 et seq.). Additionally, Sections 31205, 31254, and 31303 direct the Conservancy to adopt guidelines and criteria to help administer its programs.

Consistency with Conservancy's 2007 Strategic Plan

The proposed *Climate Change Policy* and *Project Selection Criteria* are consistent with, and will help meet the following objectives of the Conservancy's *2007 Strategic Plan*:

Consistent with **Goal 1, Objectives 1A and 1C**, plans that are developed for the alignment and design of the coastal trail will incorporate the latest scientific understanding about sea-level rise.

Consistent with **Goal 2, Objectives 2A and 2E**, plans that are developed for new or improved waterfront or watershed parks and facilities will incorporate the latest scientific understanding of sea level rise.

Consistent with **Goal 3, Objective 3A**, plans that are developed for revitalization of existing coastal and inland waterfronts, will incorporate the latest predictions about sea level rise in the design and siting of new facilities.

Proposed climate change policies 5 and 6 are consistent with the following Strategic Plan goals:

Goal 3, Objective 3C, in that they may 1) result in research that increases understanding of the affects of climate change, and of the effectiveness of adaptive management strategies, and 2) encourage dissemination of climate change research to managers, decision makers and the public.

Goal 5, Objective 5A, plans that are developed for the restoration and enhancement of biodiversity in coastal watersheds and intertidal areas will incorporate predicted evolution in habitat due to climate change.

Goal 6, Objective 6A, plans that are developed for the preservation and restoration of coastal watersheds, river parkways, and marine ecosystems will incorporate predictions of stream flows as they are likely to be altered as a result of climate change.

Goal 10, Objective 10B, plans that are developed for restoration or enhancement of San Francisco Bay Area wetlands will incorporate scientific knowledge about impacts from climate change in plan designs.

Goal 11, Objectives 11D and 11J, plans developed for the San Francisco Bay Trail and for infrastructure for the San Francisco Bay Area Water Trail will take sea-level rise into consideration in the siting and designs.

Compliance with CEQA

Under the California Environmental Quality Act (“CEQA”) Guidelines, 14 Cal. Code of Regulations (“CCR”) §§ 15000 et seq., a “project,” in relevant part, consists of an action that can cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change; and that is an activity directly undertaken or funded by a public agency, or an activity that involves the issuance of a permit or other entitlement (CCR § 15378). Under CCR § 15382, a “significant effect on the environment means a substantial or potentially substantial adverse change in land, air, water, minerals, flora, fauna, ambient noise, and objects of historic or aesthetic significance.”

The *Climate Change Policy* describes the Conservancy’s general intentions regarding coordination, education, and outreach and directs Conservancy staff to consider climate change when developing projects for Conservancy funding and to evaluate opportunities to reduce and offset greenhouse gas emissions. The *Climate Change Policy* identifies types and aspects of projects for which the Conservancy encourages applications to address climate change. The *Climate Change Policy* also confirms the Conservancy’s intent to implement Executive Order S-13-08 regarding sea level rise and provides guidance on the range of sea level rise scenarios to use when identifying vulnerabilities to sea level rise.

The *Project Selection Criteria* clarify how the Conservancy intends to implement Executive Order S-13-08 regarding sea level rise. Two criteria are also proposed to provide optional or additional consideration for evaluating proposed projects – to evaluate vulnerabilities from climate change impacts other than sea level rise and to identify measures to reduce greenhouse gas emissions.

Exhibit 5: June 4, 2009 Staff Recommendation

The *Climate Change Policy* and *Project Selection Criteria* are descriptive and general, and do not provide for or authorize specific projects. Many future activities of the agency that apply the policy and project selection criteria will require CEQA compliance; and the environment may benefit from application of the policy and criteria to Conservancy projects in the future. However, mere adoption of the *Climate Change Policy* and *Project Selection Criteria* does not have the potential to cause a physical change to the environment and thus does not constitute a project for purposes of CEQA.